

Mr. R. Matthew Priest, Chairman  
Committee for the Implementation of  
Textile Agreements  
U.S. Department of Commerce  
14<sup>th</sup> Street & Constitution Avenue, N.W.  
Room H3100A  
Washington, D.C. 20230

**Re: Rebuttal Comments to DR CAFTA Short Supply Request Response by DNA  
File Number:118.2009.05.13.Fabric.AmericanDesignIndustries**

Dear Mr. Priest:

The following rebuttal comments are being submitted in response to Comments made by DNA (Denim North America) regarding our request to add a certain fabric to Annex 3.25 of the DR-Cafta under file 118.2009.05.13.Fabric.AmericanDesignIndustries.

DNA has failed to demonstrate that it is capable of producing the subject fabric in commercial quantities in a timely manner as required under the Commercial Availability provision of the DR-Cafta and CITA's Procedures. Rather, DNA boasts a series of very general comments and fails to substantiate its claims to provide the subject fabric in a timely manner, nor does it give any measurable criteria to take it seriously.

"Due diligence" as stated in commercial availability procedures modified on September 12, 2008 says "for the requestor means it has made reasonable efforts to obtain the subject fabric in cafta dr countries".

ADI contacted since April 3, 2009 over 31 institutions, including 22 mills and 9 official Associations. In the US alone we contacted the 3 largest and most aggressive textile associations. The National Textile Association published publicly to the whole world the list of fabrics needed by ADI. As well, ADI contacted ALL denim companies listed under the official Otxa U.S. Suppliers Database.

CITA's chairman must bear in mind that NCTO (National Coalition of Textile Organizations) was duly contacted through Mr. M. Cass Johnson, President of NCTO, not once but twice, and who has proved not responsive to the day. Mr. Cass Johnson is also responsible of International Trade AND NCTO Membership. DNA is an active Official Member Company of NCTO, one of the very few privileged companies to hold that membership. Reference: <http://www.ncto.org/about/members.asp>, company #19.

NCTO logo states "Mobilizing Support for the U.S. Textile Industry in the 21<sup>st</sup> Century." It goes on out lining "NCTO is unrivaled in the diversity of the companies that belong to the

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organization. This depth affords each segment of the industry to play a role and have a vote in the development and approval of NCTO policy". On another paragraph "...NCTO is harnessing the influence of an array of associations and business groups that have a stake in the survival and prosperity of the U.S. textile industry. To that end, NCTO leverages these interests to pursue public policy reforms in Congress." Reference: <http://www.ncto.org/about/index.asp>, About NCTO.

From their self-description alone, one can be assured that this is a very aggressive organization that keeps a very tight bond with its members. NCTO membership clearly states in its web site Benefit #4: "**Monitoring and act where appropriate short supply petitions submitted for trade preferences...**". Reference: <http://www.ncto.org/about/join.asp>, "The Benefits of Membership in NCTO".

The relationship between this duly contacted organization and DNA is compelling. Its purpose and monitoring of short supply petitions is manifest.

Regarding the detailed product information, DNA irrefutably affirms it has not made the subject fabric nor does it have the machinery or yarn necessary to do so. In its response DNA does not give any measurable criteria to offer substitutable products. It is clear from their response they have no experience making our exact product specifications, and testing out could prove a deadly affair to our business. Our clients demand those exact specifications, for quality and feel.

They go on specifying that DNA does not have the looms necessary, that DNA does not have the yarn necessary, and that DNA does not have the reeds necessary for production. DNA does not give any feedback on fiber content, construction, yarn size, width, nor finishing processes. There is significant filling/widthwise shrinkage needed for all our fabrics. Weight alone is rarely a sole specification to allege the availability to produce.

**A mere statement of a claim substantially is legally insufficient.** The time frame necessary for all those essential components to materialize with each of so many fabrics is way to volatile to take seriously the commercial availability in a timely manner DNA thinks of.

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Therefore, the fabric in question, as required by ADI and its customers, is not available as specified, or in the form of a substitutable fabric, in commercial quantities in a timely manner in the DR\_CAFTA region. CITA should therefore approve ADI's petition.

Sincerely,

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Luis Carlos Mantica  
Managing Partner

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